



NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

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Treasurer Lockyer Announces \$100,000 in College Savings Awards Under Program that Rewards Achievement, Encourages Investment for College *100 Students from 14 Sacramento Schools Receive Financial Help for Higher Education*

SACRAMENTO – State Treasurer Bill Lockyer today announced his office’s distribution of \$100,000 in college savings awards to 100 seventh- through 12th-grade winners of the ScholarShare Project for Achievement and Recognition of Creativity (SPARC) contest.

“As the importance and cost of college continue to increase, it’s great to reward deserving students with a little extra help,” said Lockyer. “Higher education is a proven pathway to a good job and solid future, and I’m pleased to help expand the opportunity for these hard-working kids to obtain a college degree. In acknowledging their achievement, I hope the SPARC program provides parents and students the incentive to begin planning to pay for the rising cost of going to college.”

“Our goal is to not only help fund future education, but also to inspire our young to attend college,” said Sacramento County Superintendent of Schools David W. Gordon. “If we plant the seed of savings in the minds of parents and students they will see that college can become a reality.”

Deputy Treasurer Tricia Wynne and Gordon, in a special ceremony tonight, will hand out college savings awards valued at \$750 and \$1,250 to 100 SPARC winners in grades 7-12 from 14 Sacramento high schools and middle schools. The "A Night with the Stars" ceremony will be held at the Sheldon High School’s Performing Arts Center. Sacramento, Elk Grove and San Juan Unified School Districts will have schools participating. The schools with award winners include: Del Campo, Florin, Hiram Johnson, John F. Kennedy, Laguna Creek, Luther Burbank, Sheldon, and Valley high schools; and Harriet Eddy, James Rutter, John Barrett, Jonas Salk, Sam Brannan and T.R. Smedburg middle schools.

SPARC is a pilot-project partnership between ScholarShare, California’s 529 college savings plan, the Sacramento County Office of Education and the California Student Opportunity and Access Program (Cal-SOAP). The contest was open to students in grades K-12 at 29 Sacramento County schools. In all, the program distributed a total of \$150,000 in college savings awards to 200 K-12 students, including \$50,000 awarded in December 2007 to 100 K-6 winners. SPARC awards recipients were chosen based on their ability to expand on the theme, “I Will Become...” Students in grades 7-9 competed in an essay contest for 50 awards valued at \$750, and students in grades 10-12 competed in a 30-second video contest for 50 awards worth \$1,250 each.

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Each winner's award will be placed in a ScholarShare college savings account and held in trust by the ScholarShare Investment Board (SIB). The SIB, chaired by Lockyer as State Treasurer, administers the ScholarShare 529 program. The students will be able to use the awards, plus the investment earnings they accrue, to help pay their tuition and other college expenses. Neither the students nor their family members will be able to place additional funds in the SPARC ScholarShare accounts. They can, however, establish separate, regular ScholarShare accounts and add money to those accounts on a regular basis.

Named for the section of IRS code under which they were created, 529 plans are highly regarded for their tax-advantaged status. Earnings on investments grow tax-deferred, and disbursements, when used for tuition and other qualified expenses, are federal and state tax-free.

ScholarShare accounts may be opened online with as little as \$50, or \$15 when combined with regular investments of at least \$15 per month. ScholarShare has no annual fee, no income limit and offers a high maximum contribution limit of \$320,000. The program currently holds more than \$3 billion in assets in more than 220,000 accounts. For information on ScholarShare, visit www.scholarshare.com.

The names of all award winners will be listed at www.Cal529.org, which serves as the online hub for the SPARC contest and other ScholarShare outreach programs. It also provides information and forms for state employees to set up automatic payroll deductions for ScholarShare accounts.

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